

SOUTH COAST



WATER DISTRICT

Providing Quality Water and Wastewater Services to the Coastal Communities

January 29, 2003

Mr. John H. Robertus
Executive Officer
California Regional Water Quality Control Board
San Diego Region
9174 Sky Park Court, Suite 100
San Diego, CA 92123

Re: Offer of Settlement
File No. 01-0784.02
Complaint No. R9-2002-280

Dear Mr. Robertus:

The South Coast Water District ("District") has received and reviewed and carefully considered your letter dated January 23, 2003, which sets forth requirements for the proposed settlement of the above referenced Administrative Civil Liability Complaint. We value the time that you gave us on January 10, 2003, and again on January 22, 2003 when you met with our General Manager, Board President and myself to discuss this matter.

We appreciate the determination that the District has come into compliance with reporting requirements. The District accepts the requirements of settlement as follows:

- Payment of \$105,000 allocated as follows:
 - \$60,000 due and payable to the Cleanup and Abatement Account maintained by the State Water Resources Control Board.
 - \$45,000 to fund Supplemental Environmental Projects (SEP) including but not limited to: Southern California Coastal Water Research Project, 2003 Regional Ocean Water Monitoring Survey; Orange County Coastkeeper, Kelp Reforestation and Education Programs; San Clemente Chapter of Surfrider Foundation, Development of an Ocean Water Testing Program at Shorecliffs Middle School.

Mailing Address: P.O. Box 30205, Laguna Niguel, CA 92607-0205

Street Address: 31592 West Street, Laguna Beach, CA 92651

Fax: (949) 499-4256 Phone: (949) 499-4555

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- District will conduct a reporting and prevention plan preparation training conference.

- District will waive the right to a public hearing and/or petition for hearing by the State Water Resources Control Board.

The District's focus is to move forward with the operations of its sanitary systems in full compliance with Regional Board Order 96-04, and the terms of the settlement facilitate that effort. In furtherance of the settlement requirements, the District is preparing to attend the Regional Board meeting on February 5, 2003, and Mr. Dunbar will provide a brief summary of the proposed settlement terms. At that time, the District will also provide an outline of the reporting and prevention plan training conference.

The District is prepared to issue payments to fund the Supplemental Environmental Projects (totaling \$45,000), and to pay the Cleanup and Abatement Account (totaling \$60,000) as soon as the Regional Board issues the Order applying the settlement terms as requirements from the District in resolution of the ACL.

In preparation for the payment to the San Clemente Chapter of Surfrider Foundation, the District will immediately request that the San Clemente Chapter of the Surfrider Foundation submit a SFP request letter to the Regional Board for the Ocean Water Testing Program at Shorecliffs Middle School. We understand that you have previously received sufficient SFP information from the Southern California Coastal Water Research Project and Orange County Coastkeeper.

As we discussed, if the Regional Board is willing to accept the settlement, the matter will be calendared for the March 12, 2003 Regional Board meeting to allow for public comment and consideration by the Regional Board. If the Regional Board is unable to accept the settlement, then the District retains the right to a public hearing before the Regional Board and/or State Board petition to consider the District's responses to the ACL.

Please call Mr. Dunbar or me with any questions you may have.

Sincerely,



Betty C. Burnett

Director of Administration/District Counsel
South Coast Water District

cc: President and Board of Directors

South Coast Water District

Michael P. Dunbar, General Manager

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